GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:269
ANSWERED ON:18.02.2009
INTEREST ON DEBT
Athawale Shri Ramdas

Will the Minister of FINANCE be pleased to state:

(a) the per capita debt burden of the country as on date;

(b) the total outgo of interest on the debt during the last three years and the current financial year; and

(c) the steps taken by the Government to improve the debt position?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) As per the latest data available,the per capita debt burden of the country as at end-September, 2008 is given below in the table:

Table 1: Per Capita Debt Burden

Year	Total External Debt (Rupees crore)	Per Capita External Debt (Rupees)	Internal Debt and other Liabilities of Central Government (Rupees crore)	Per Capita Internal Liabilities (Rupees)
2008-09 (At End-Sept.08)	1,040,968	9,021	2,333,082	20,217

(b) The interest payments on external debt of the country and domestic debt (internal debt and other liabilities of the Central Government) during the last three years and the current financial year are as under:

Table 2: Interest Payments on Debt
(Rupees crore)

Year (End- March)	Interest payments on Total External Debt	Interest payments on Domestic Debt of Central Government
2005-06	23,106	132,630
2006-07	24,741	150,272
2007-08	26,600	171,971 RE
2008-09	13,566 (April08-Sept.08)	190,807 BE (April 08 -March 09)

RE: Revised Estimates; BE: Budget Estimates

(c) Prudent external debt management policies pursued by the Government have helped in maintaining a comfortable external debt position.These include emphasis on raising funds on concessional terms and from less expensive sources with longer maturities,monitoring short-term debt,prepaying high cost loans and encouraging non-debt creating capital flows.

The Central Government has been following a strategy to moderate growth in public debt in pursuance of its objective of reduction in fiscal deficit as per the Fiscal Responsibility and Budget Management (FRBM) Act.